GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:3459
ANSWERED ON:19.03.2013
DIGITAL CABLE TV SERVICE
Rane Dr. Nilesh Narayan

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the implementation of the Telecom Regulatory Authority of India (TRAI's) recommendations on digitisation of cable TV service would be an additional financial burden on viewers and service providers;

(b) if so, the details thereof;

(c) whether in order to incentivise stakeholders to switch to digital addressable format, the TRAI has suggested a tax holiday for service providers, besides calling off taxes and has also favoured bringing down the basic custom duty to zero on head-end equipment and set-top boxes for the next three years; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI MANISH TEWARI)

(a) & (b) The digitization of the cable TV systems in the country brings in several benefits to various stakeholders, including the consumers. Consumers will have better viewing experience as they will get better signal quality with choice to choose from a large number of TV channels, carried over the network of the operator. Therefore, they will have to pay for what they get and so can budget their bill. Further, the consumer can have access to triple play services including broadband, other value added and interactive services offered by the operator.

The digital systems also provides scope for the service providers to offer Value added services, interactive services and allows triple play i.e. carriage of voice, video and data including broadband. Thus, addressable digitisation provides ample business opportunities to the content providers and service providers to diversify their business and generate more revenue. The amount of investment required would be commensurate to the number of services that a service provider, in accordance with his business model, intends to offer to the consumers by exploiting the features of the technology.

(c) & (d): The Telecom Regulatory Authority of India vide its recommendations on "Implementation of Digital Addressable Cable TV Systems (DAS) in India" issued on 05.08.2010 inter-alia, in paragraphs 2.75 and 2.79 of the said recommendations, recommended that the basic custom duty of digital head-end equipments and STBs be reduced to zero for the next 3 years to give a boost to conversion of the broadcast distribution network to digital addressable. It also recommended that the taxes/levies on the broadcasting distribution sector be rationalized.